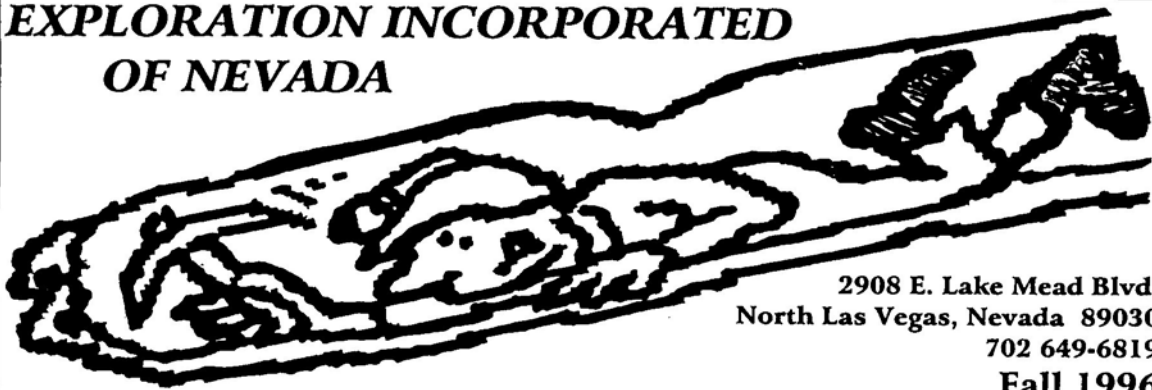


EXPLORATION INCORPORATED OF NEVADA



2908 E. Lake Mead Blvd.
North Las Vegas, Nevada 89030
702 649-6819
Fall 1996

Large Voids Confirmed Adjacent to Kokoweef

A newly designed electro magnetic pulse machine has confirmed the existence of several large voids adjacent to Kokoweef, including a rather large void directly behind the known cavern, on the other side of the fault system on which Kokoweef sits.

During last June's Picnic, a Utah inventor demonstrated this improved way to measure for voids.

According to Larry Hahn, "Everyone got so excited during the presentation, that one of our investors took off his hat and asked the 290 investors present to throw in a hundred bucks so we could buy the machine right then and there. Within less than five minutes, he raised \$5,700, and I gave the guy a \$5,000 check right then to start building the machine to our needs."

The Electro Magnetic Pulse machine uses a very low frequency radio wave that goes into the ground between two probes. If these probes are placed 20-feet apart, the machine reads about 20 feet deep; if placed 50-feet apart, it reads about

50-feet deep. In other words, however far apart one places the probes is about the depth that this machine reads, up to a maximum depth of 400 feet.

The depth is read directly beneath the center of the probes, not at either end, so one can tell fairly accurately where the outer edges of the void are. If the probes are used over a grid and placed at differing widths, you can tell a variety of depths and double check for accuracy.

"We had our Utah specialist out in January to work over Kokoweef with the Electro Magnetic Pulse," explained Larry who added that this individual had no previous knowledge of Kokoweef or its fault systems. The results were that it showed Kokoweef very well. In fact, it

Exploration Inc. of Nevada

This newsletter is published three times a year to keep investors advised of the progress being made at Camp Kokoweef in the on-going search for the lost River of Gold, and as a reminder to all investors that their investments are due.

President ———— **Larry Hahn**
Newsletter Editor ———— **Vicki M. Bertolino**

...continued on back (pg. 8)

MAP AREA
SHOWN AT
1996 PICNIC

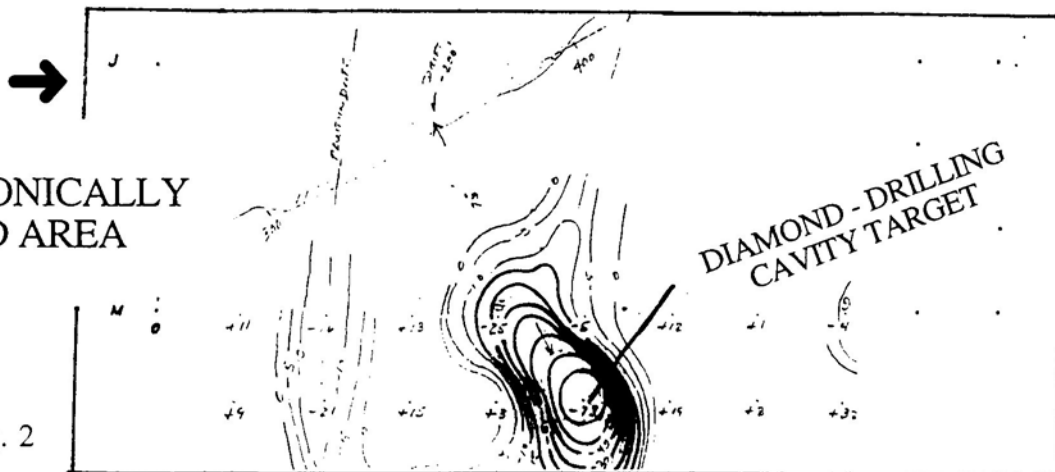
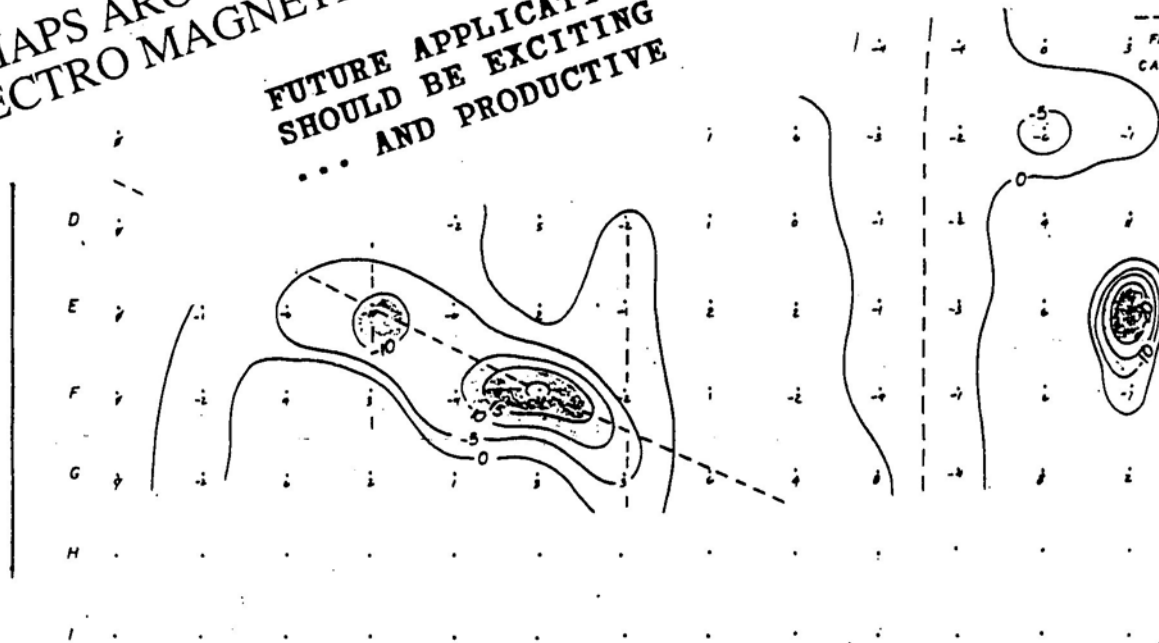
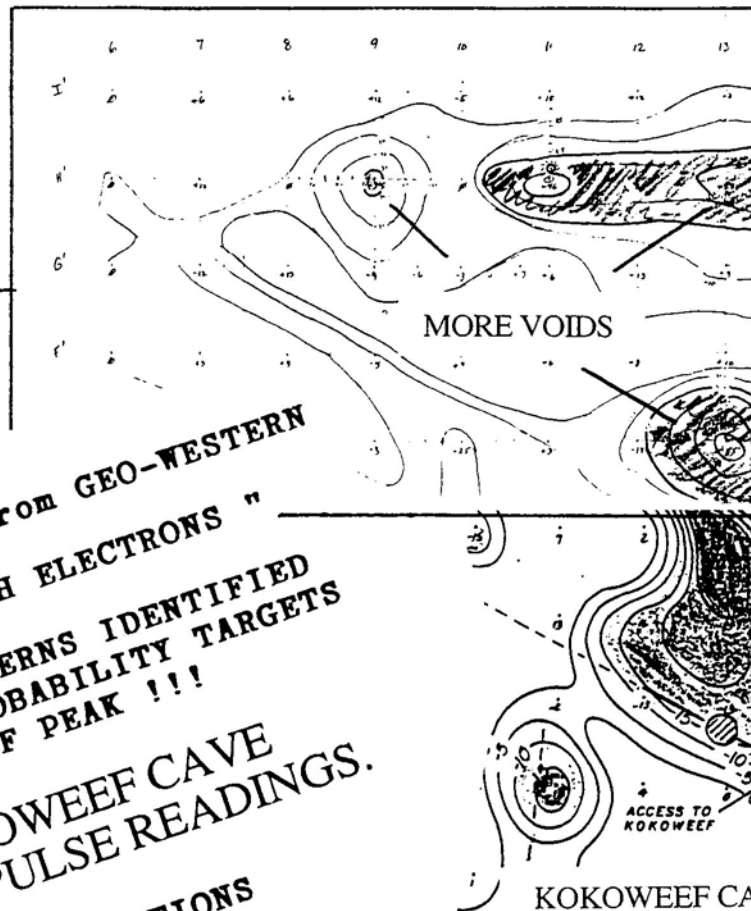
BIRD'S
EYE
VIEWS

1996
Guest Speaker:
Gary HEWITT from GEO-WESTERN
"DRILLING WITH ELECTRONS"

SIX NEW CAVERNS IDENTIFIED
AS HIGH PROBABILITY TARGETS
ON KOKOWEEF PEAK !!!

REVISED MAPS AROUND KOKOWEEF CAVE
SHOWING ELECTRO MAGNETIC PULSE READINGS.

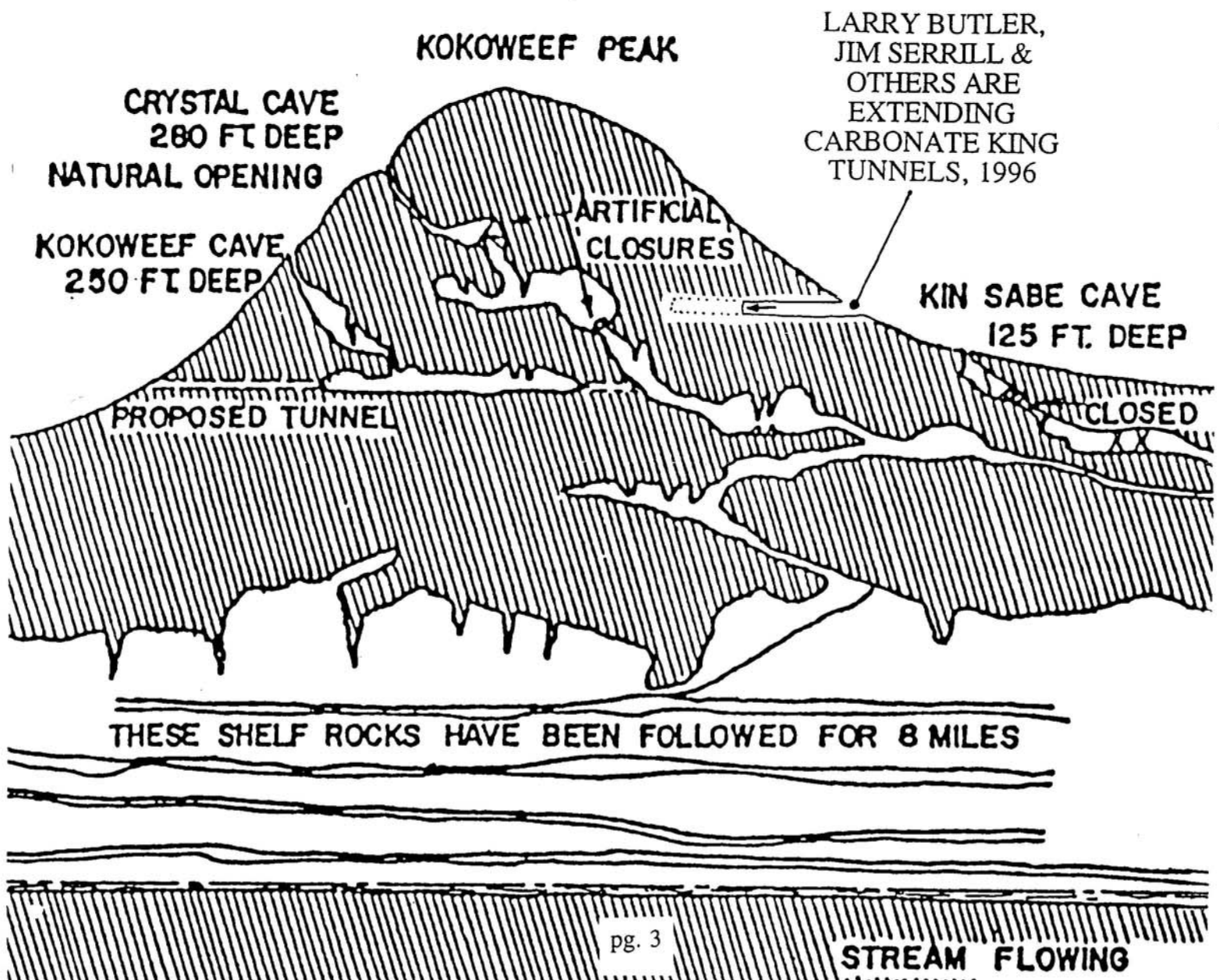
FUTURE APPLICATIONS
SHOULD BE EXCITING
... AND PRODUCTIVE



NEW ELECTRONICALLY
SURVEYED AREA

MAP LAYOUTS:
R.E. LEWIS

We've 'thrown in' a few maps at the last minute to help you understand the significance and relations of the electronic surveys and the works developing at Kokoweef Cave and the Carbonate King tunnels. Identifying hidden fault structures and caves is wonderful! Our EM-83 Pulse Detector sure gives us a new and larger view inside Kokoweef Peak! Please let Larry or Ralph know if you can pitch in as an assistant or an operator-trainee for electronic surveys.



This map shows areas relating to Jim Hanhardt's topographic surveys and recent status of the on-going electronic surveys.

1. Areas completed around Kokoweef Cave and above the Declined Tunnels (pgs. 2 & 7)
2. Areas being flagged and surveyed on both sides of Schnarr's Fault
3. Future area surrounding the Crystal Cave Entrance

NOTE:

The parallel, yellow highlighted lines are projections of the same two parallel faults shown on the maps on pages 2 and 7.

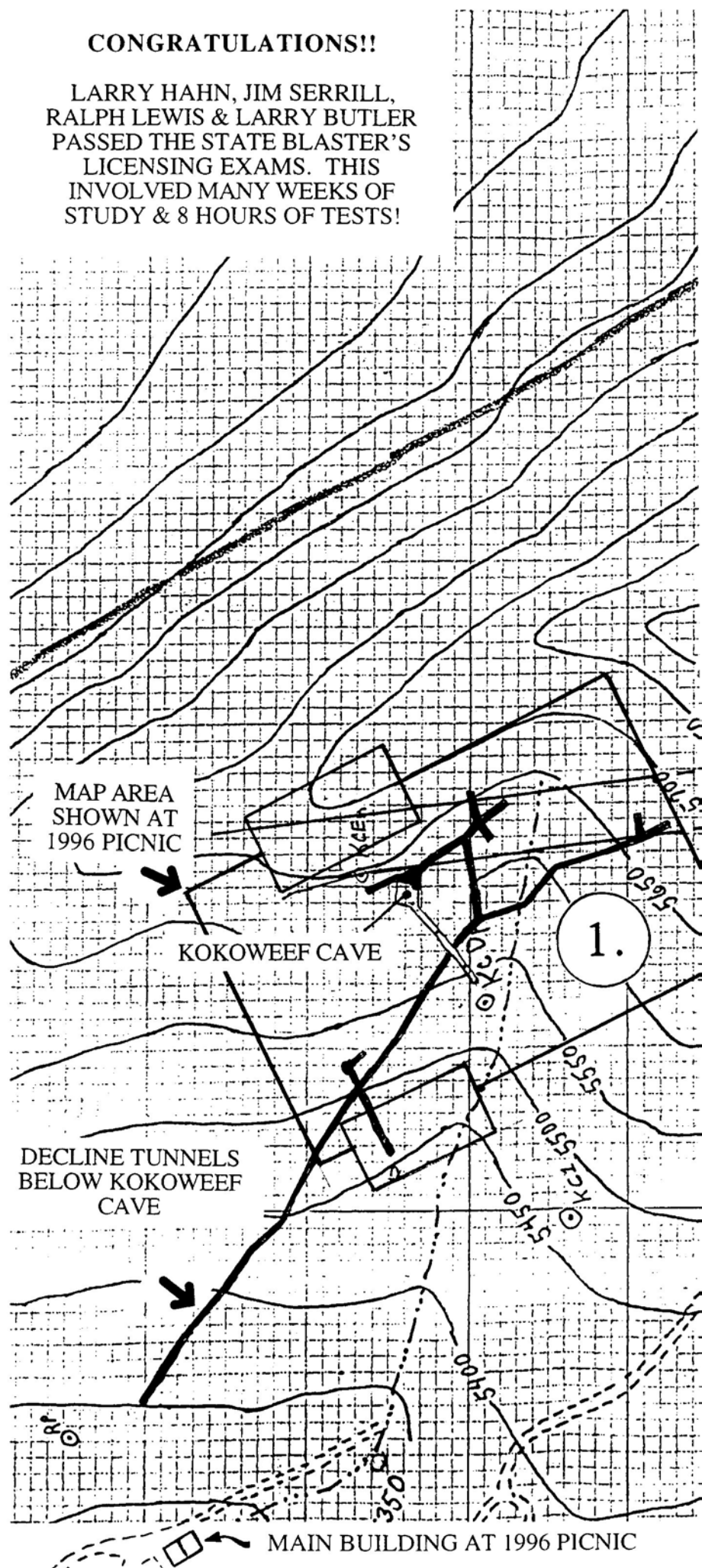
They may indicate geology supporting an historical indication of a long horizontal cave under Kokoweef Cave and heading toward Crystal Cave.
(See map on page 3)

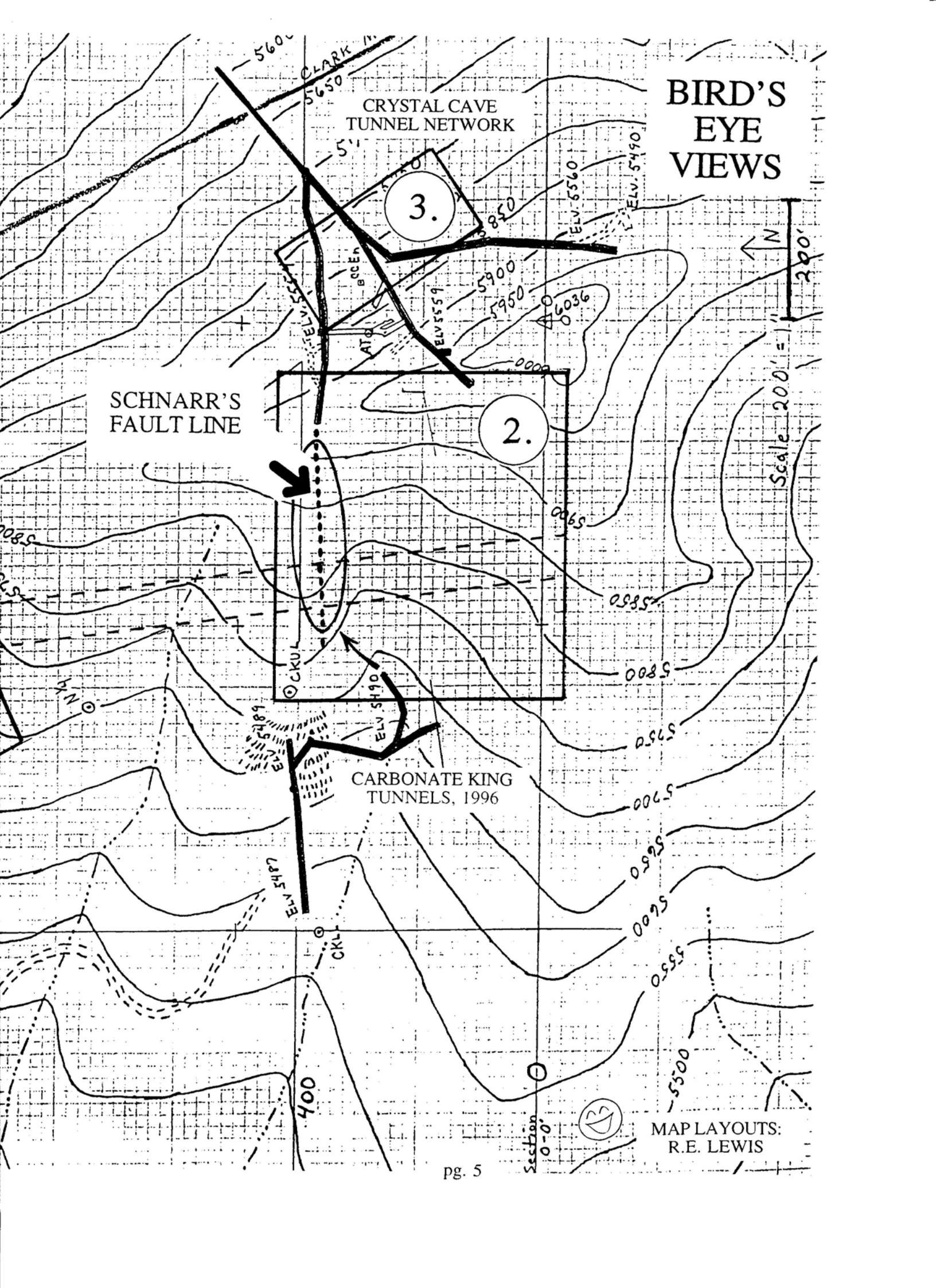
SPECIAL REQUESTS!!

1. If you know anyone who has video tapes of the 1996 picnic, please contact Larry Hahn. (702) 649-6819. Several of our investors were not able to attend last year and would appreciate being able to see their friends and hear our guest speaker. Thanks!
2. Anyone interested in helping Ralph Lewis complete more electronic surveys faster? Please call Larry Hahn or Ralph's voice mail. (702) 278-3972

CONGRATULATIONS!!

LARRY HAHN, JIM SERRILL,
RALPH LEWIS & LARRY BUTLER
PASSED THE STATE BLASTER'S
LICENSING EXAMS. THIS
INVOLVED MANY WEEKS OF
STUDY & 8 HOURS OF TESTS!





BIRD'S EYE VIEWS

SCHNARR'S FAULT LINE

CRYSTAL CAVE TUNNEL NETWORK

CARBONATE KING TUNNELS, 1996

Our 'Quest' continues as usual

Even with the new discoveries and the loss of Joe Kelly, our quest for the "Golden" Caverns will continue as usual.

Larry Butler took over Joe's place and is continuing with the drilling. Ralph Lewis is handling the new radio wave machine with whomever he can get to help him since this is a two-man operation.

The rest of the crew are continuing on in each and every project.

"We did have one thing that has slowed us down this summer. Joe was our only State licensed blaster; he was the only man who could technically light the fuse," Larry said.

Four of the crew, including Larry, were licensed with the county, but not the state. It took six weeks to get an appointment and take the test, and as of mid-August, when they all passed the test, we now have four State licensed blasters.

"We can now continue with our blasting legally," noted Larry who added that now is the time we need our investors both at the mine helping on the weekends and through the mails sending in their 4-month investment.

"We're coordinating some very important work to see if we can prove this very interesting new development. We invite all of you to come up and get involved," urged Larry.

In the meantime, we're going into the Fall in very good shape on most of our equipment. We still need to repair the one LHD that we've let sit for the past few months while we've been using the new one. We also need to restock our cupboards with food and supplies for our usual four-month period.

"A lot of you guys threw in a hundred dollars or so -- in cash -- in the hat

at the company picnic, so when you send in your investment check, be sure to include a note to me with it as to how much cash you threw into that hat. We'll credit it to your investment," said Larry.

This reminder was in regard to the \$5,700 that was collected at the picnic for the Electro Magnetic Pulse Machine we purchased in June.

Train for the newly formed descent teams

With all of our new discoveries, we are so confident that we'll break into Dorr's passage that we're forming two four-man exploration teams to descend into the voids and find a safe way down to the River of Gold.

"We're looking for healthy investors 18 years of age or older who can lift at least 100 pounds and would like to be trained for this exciting task," said investor Steve Ekmark who is coordinating this effort.

Ekmark, an EMT who works for Mercy Ambulance in Las Vegas, Nev., noted, "Our object is to find a safe way down while exploring these voids."

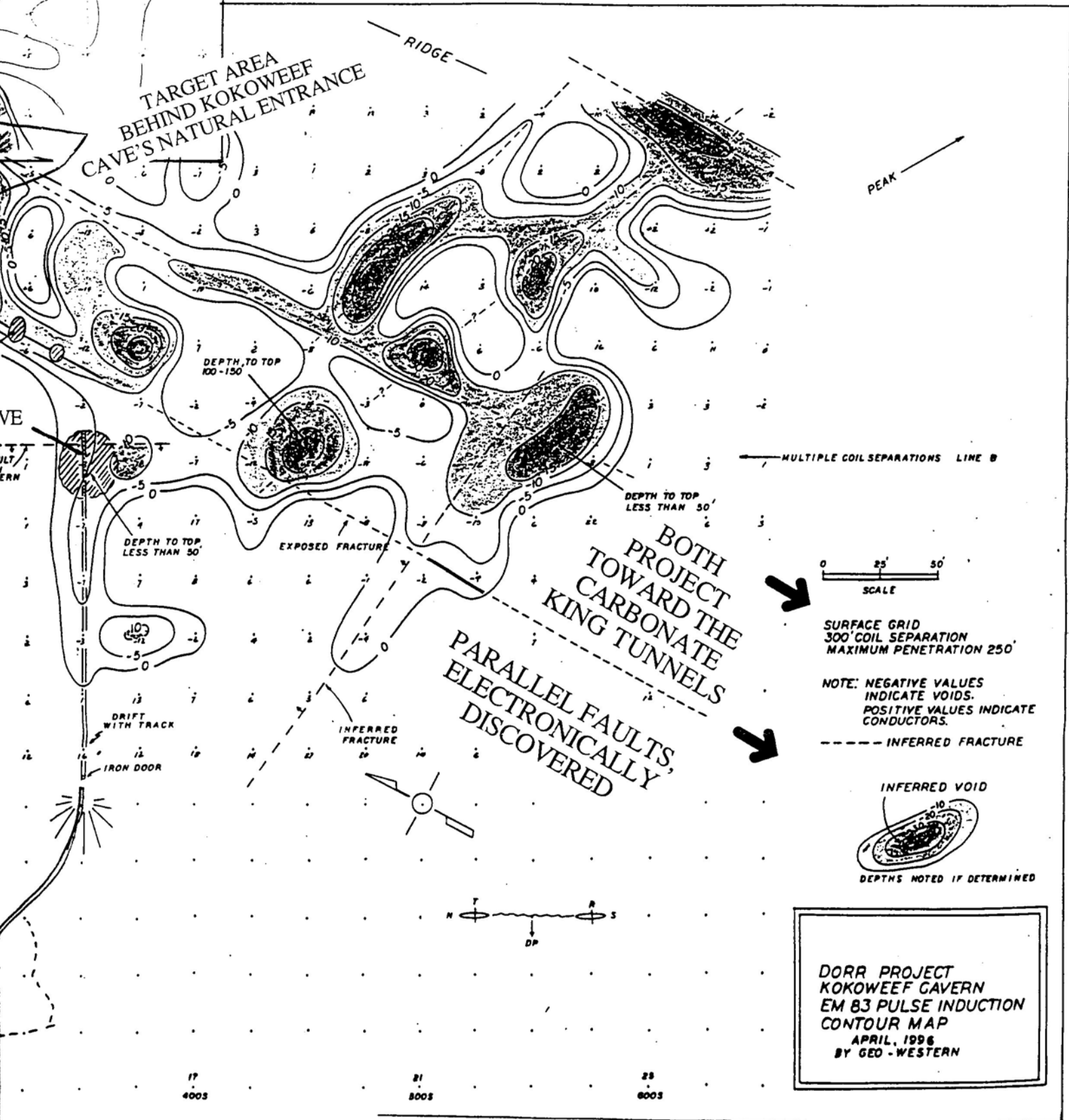
Each member of the descent teams must undergo stringent training and must be in excellent health. "Our volunteers cannot have any heart or lung problems, be subject to seizures or claustrophobic," Ekmark said.

Each member of the team will be assigned a specific job.

- > Photographer-videographer
- > Fixed wire communicator
- > Recorder-map maker
- > Support-lineman-supplier.

To volunteer, call Ekmark at 702 371-9422, or Larry Hahn at 702 649-6819.

NEW ELECTRONIC SURVEY AREA
SHOWING MORE PROBABLE CAVITIES



showed the alcove coming into Kokoweef consistently four times.

"After four different trips," Larry continued, "we consistently obtained the same readings. It looks like we might have a considerable amount of voids around Kokoweef."

Historically around the world, 90 percent of the voids don't come to the surface where one can easily get to them. Only about 10 percent of voids are known and accessible.

This appears to be the case at Kokoweef where these radio waves picked up a considerable amount of voids around the big known caves: Kin Sabe, Crystal and Kokoweef.

"On Kokoweef, we believe that we have a rather large cave directly behind it, on the other side of the fault system that Kokoweef sits on," Larry observed.

Based on these findings, we determined that

our Fall project is to dig a tunnel, roughly 30 to 35 feet at the entrance of Kokoweef down toward where the radio waves indicate this void.

Please note that on the map on page 3, Dorr claimed Kokoweef is open and 250-feet deep. He also indicated a large, open fault that looks like it leads directly over to what we know as Schnaard's Fault. That's why we continue to tunnel over at the Carbonate King on Schnaard's Fault.

Our goal is to get to the open portion of that fault some 100 feet in front of it. So far, we are 150 feet in with our tunnel.

"The possibilities of there being an open void between Crystal Cave and Carbonate King is excellent and ties in directly with Dorr's map," Larry noted.

To prove this, we're going to need a lot of Weekenders to help with the mucking at the entrance to Kokoweef. Larry said that

they'll be set up for Weekenders within the next two weeks.

Normal operations will continue at Kokoweef which means we'll blast two to three rounds a week with a normal two or three man weekday crew. In this way, we'll be ready for the mucking help on the weekends.

We'll also continue to drill with the Diamond Drill beneath Kokoweef down in the big, main tunnel where we're trying to drill into one of these voids that the Electro Magnetic pulse keeps showing.

It has indeed been a long, hot summer, but it has also been very eventful. And all of these new discoveries look very promising.

"Everybody is very excited about it, so we hope all of you will get a chance to come up and see for yourself what is actually going on," invited Larry Hahn.

Valued Volunteer

Joe Kelly killed in tragic accident

"Our most excellent miner, Jack-of-all trades and very good friend Joe Kelly was killed in a tragic accident on May 18, two weeks before our Annual Investor's Picnic," Larry Hahn reported.

Kelly was backing the old dump truck off of one side of the mountain when it started to tip over. As he dove out, he broke his neck and was killed instantly.

"We told everybody about this tragedy at the picnic and invited all who wanted to attend his funeral. We cremated Joe as he had wished, and about 30 of his friends were in attendance at the service that was held about two weeks after the company picnic," explained Larry, who added, "We've lost a dear friend, a valuable ally and wonderful volunteer."